

THE LINGLE-AIONA ADMINISTRATION



2006 INITIATIVES

Renewing our commitment to the people of Hawai'i





Aloha!

The year 2006 opens with renewed opportunities to continue the commitment we have made to improve the lives of those who call Hawai'i home and those who come as visitors to our shores.

Over the past year, we have enjoyed a vibrant economy, complete with strong job and personal income growth, low unemployment, and healthy State revenues.

Now is the right time to use our state's prosperity to offset the rising cost of living, help those most in need, catch up on long-delayed infrastructure development and maintenance, and invest in our future.

Along with a comprehensive tax relief package, we are proposing multi-faceted initiatives focused on providing more affordable housing, improving public education, creating safer communities, especially for our *keiki*, enhancing healthcare, and preserving the environment. We have also incorporated recommendations from the Economic Momentum Commission designed to strengthen and further our state's economic growth. Additionally, we are introducing new initiatives to move Hawai'i toward energy self-sufficiency, enhance the state's ability to prepare for natural disasters and emergencies, and expand higher education opportunities.

Along with proposing legislation, we are also focused on addressing the State's needs through budget proposals, administrative actions, public-private partnerships, and working with our county and federal partners. In doing so, we look forward to building on the strong foundation we have laid out over the past three years.

It is gratifying to know we have arrived at a point where all of this is possible due to the State's significantly improved economic condition.

As always, we welcome and encourage your comments, questions, and support. By working together, we can continue our commitment to keep Hawai'i a place we are all proud to call home.

Mahalo,

LINDA LINGLE
Governor

JAMES R. DUKE" AIONA, JR.
Lieutenant Governor

TAX RELIEF

With a booming economy and a healthy budget surplus, tax relief is the right thing to do, and now is the right time to do it. For the fourth consecutive year, our Administration is proposing significant tax relief initiatives targeted to help Hawai'i's lowest wage earners keep more of their hard earned money. With less personal income going to taxes, our residents will be able to better manage the costs of living.



River of Life Mission on Thanksgiving Day

TAX RELIEF

Raise the standard deduction and widen the income tax brackets

- The standard deduction would be raised to 75% of the Federal deduction and brackets would be widened by 25%. Combining these two proposals will reduce the tax burden on 80% of taxpayers and their dependents, eliminate the taxes for 57,866 taxpayers and their dependents, and allow people to keep \$85.9 million of their hard earned money. A family of four with an adjusted gross income of \$50,000 per year would save \$568.

Provide a One-Time Tax Refund

- Provide a tax refund of \$150 per exemption to resident taxpayers. Single individuals earning \$50,000 or less, heads of households earning \$75,000 or less and couples earning \$100,000 or less would qualify for this refund. A family of four would receive \$600. This one-time tax refund, applicable to tax year 2006, would give \$128.5 million back to a total of 856,890 residents and their dependents.

Tax Credit for food, medical services and non-prescription drugs

- Give households earning \$50,000 or less adjusted gross income a tax credit for the purchase of food, medical services, and non-prescription drugs. This credit would equal \$100 per exemption, or \$400 for a family of four. This tax relief would return \$70.7 million dollars to 707,000 resident taxpayers and their dependents.

Note: Total tax relief above is \$285.1 million.



The Wheeler Family meet Governor Lingle at the 7th Annual Foster Family Programs Christmas party.

HOUSING OUR RESIDENTS

Hawai'i is a special place to all of us, but it is becoming increasingly more difficult to have a place to call home. Our Administration is proposing solutions to increase affordable housing for our residents, provide more rent assistance, and better maintain our public housing projects. Coupled with our Administration's significant tax relief initiatives, we believe these measures will also help our homeless population.



Groundbreaking ceremony for "The Courts," a new affordable rental complex in Lana'i City

HOUSING OUR RESIDENTS

Develop more workforce and family housing

- Make it more economically feasible to build affordable homes by adjusting the qualifying income limit of affordable housing projects to up to 140% of the median income (\$94,850 - the salary level of a married teacher and firefighter).
- Facilitate the construction of up to 1,000 affordable housing units on 272 acres of state-owned land by investing in water systems in North Kona on the Big Island.



Dedication ceremony for Lanakila Homes in Hilo

Streamline the approval process

- Augment the role of the counties in the development of land use plans by adjusting the responsibility of the State Land Use Commission to ensure that county plans conform with comprehensive planning objectives, and to expedite the approval process for housing construction.

Provide more rent assistance to residents

- Increase, for the first time since 1988, the amount of the rent subsidy (currently, \$160 per month) offered through the State Rent Supplement Program, which provides low-income individuals with financial assistance.
- Increase the number of people eligible for the State Rent Supplement Program by raising the qualifying income level from 50% to 90% of the area median income. (Each year rent supplement money is returned to the Treasury because the eligibility criteria is too narrow).
- Allow State Rent Supplement Program subsidies to be used to rent an apartment in a public housing project.
- Help low-income working families with rental housing by using federal and state funds up to a total of \$1.5 million for one-time rent assistance to pay two month's rent to secure or retain housing. This could benefit over 750 families, and keep hundreds of families from becoming homeless.

HOUSING OUR RESIDENTS continued

Increase state funds for affordable housing projects

- Authorize the use of special purpose revenue bonds to construct affordable workforce housing, a financing tool that has worked well for schools, hospitals and economic development projects.
- Increase that portion of the State conveyance tax deposited into the Rental Housing Trust Fund from 30% to 65%, thus generating an estimated additional \$12.25 million into the fund in FY 2007.
- Require a 2/3rds affirmative vote of the Legislature before money can be raided from nine housing funds managed by the State. (Over the past 10 years more than \$200 million has been diverted from these housing program accounts.)

Improve public housing units

- Invest an additional \$6.1 million to modernize public housing units at Lanakila Homes in Hilo and Kahale-Kahaluu in Kona.
- Protect Hawaiian Homes sites from flooding by providing \$4 million for drainage improvements at Kapaakea on Moloka'i and \$1 million for Paheehee Ridge drainage in Waianae.

Care for Homeless

- Invest \$10 million in the renovation and repair of existing homeless shelter sites throughout the state.
- Provide an additional \$10 million in new supportive housing funds to provide homeless families with services for self-sufficiency, such as drug abuse and mental health counseling, childcare, and job training.



Governor Lingle stands proudly with HCDCH (state housing agency) employees at the dedication ceremony for Lanakila Homes in Hilo.

SUPPORTING EDUCATION

Investing in education means investing in Hawai'i's most precious legacy – our next generation. Our Administration is committed to putting more teachers in the classroom, more funds into the schools, and more accountability into the system. We also want to provide parents with more options by expanding charter school alternatives.

We will remain focused on enhancing higher education. The University of Hawai'i is a critical part of Hawai'i's economic future. By giving the University of Hawai'i the authority and funds it needs to compete globally, we can help provide our students with a first class education.

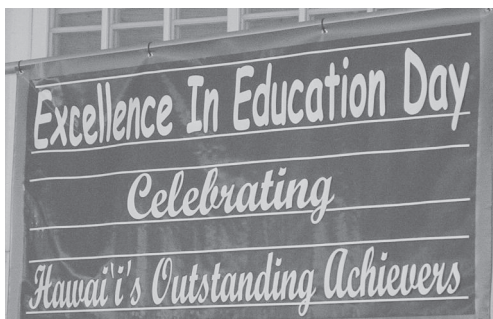


Governor reading "Fables from the Sea" to students at Nimitz Elementary

SUPPORTING EDUCATION

Support Teachers & Help Students

- Create an expedited Emergency Certified Teachers Program to allow individuals with a bachelor's degree to quickly become teachers in hard to fill positions.
- Increase support for the UH School of Education in order to train 100 more students a year at Manoa and West O'ahu campuses, and 150 community college transfer students. The additional graduates will include 50 high caliber teachers recruited through the nationally recognized Teach for America Program.
- Reactivate and broaden the Hawai'i Educator Loan Program to allow forgiveness of student loans for graduates who agree to teach in remote locations or in subject areas where we do not have enough teachers.
- Add \$2.8 million for 88 more special education preschool teachers and \$14.5 million for special education related services – occupational therapy, physical therapy, speech language, skilled nursing, school based behavioral health, and autism.
- Provide \$880,195 for positions in the Hawaiian Language Immersion Program.
- Provide an additional \$1.2 million for 29 more English as a Second Language (ESL) instructors working with immigrant children. There are an estimated 17,000 ESL students in the public school system, an increase of 42% since 2000.
- Appropriate \$800,000 to establish the Hawai'i Master Teacher Program, which allows low performing schools to use a National Board Certified Teacher to serve as a Master Instructor, mentoring new entrants into the teaching field and helping schools with low student achievement test scores. Provide a \$10,000 bonus to these Master Instructors.



Reception was held at Washington Place in honor of Hawai'i's outstanding principals, teachers and students



John Hoff, executive director of the Substitute Teachers Professional Alliance, accepts a ceremonial copy of SB1250. This bill set minimum daily rates of pay for substitute teachers, based on their educational experience and qualifications.

Fund School Repairs & Maintenance

- Provide \$90 million more for school repair, maintenance, and construction projects statewide. This money is in addition to the \$216 million in FY 2006 and \$65 million in FY 2007 in construction funds for the Department of Education.
- Part of the aforementioned additional funds includes \$19.5 million for large-scale school repairs and more classrooms, including Lana'i High and Elementary School, Campbell High School, and Ewa Makai Middle School.

Improve Accountability & Management

- Establish a non-partisan commission on the creation and implementation of a comprehensive, transparent financial accountability system for education spending.

Support State Public Libraries

- Provide an additional \$6.3 million to repair, upgrade and expand State library facilities. This includes \$4.8 million for expansion of Makawao Public Library on Maui and \$1.5 million for health, safety and accessibility improvements statewide.

Support Charter Schools

- Ensure charter schools have adequate funds for their facilities by allowing them to receive federal funds directly and improving their funding formula.
- Provide an additional \$17.9 million in 2007 for charter schools to equalize their per pupil amounts to regular per pupil funding and provide monies to pay rent, lease space, or build facilities.
- Increase the number of charter schools by lifting the cap on new charter schools and establishing a non-contiguous charter school district.
- Establish seven new environmentally based charter schools – two on the Big Island and one each on O'ahu, Maui, Kaua'i, Moloka'i, and Lana'i – and provide funds within the charter school budget for these new schools.



Visit to Voyager charter school. During this visit the Governor signed a charter school bill, which established a more equitable and stable funding basis for these schools.

SUPPORTING EDUCATION continued

Support the University of Hawai'i

- Continue to increase funding and autonomy for the University of Hawai'i by returning to the University the authority to purchase its own goods and services, retain its accounting systems, manage public activities on lands it controls and enter into public-private partnerships, including financing agreements with private developers.
- Promote efficient management of resources and greater flexibility by consolidating various funds of the University of Hawai'i.
- Attract top-level professors to teach at the University by providing \$5 million to create a State Eminent Scholars Program, which will match state funds with private contributions.
- Provide funds for additional security at various UH campuses.
- Provide \$43 million for major repairs on campuses statewide.
- Allocate \$209 million to start construction of the West O'ahu campus. This major public-private partnership includes \$34 million in state funds and \$175 million in private funds.



Above: Visiting with students during a tour of the John A. Burns School of Medicine



Right: UH-Hilo Student Association Legislative Committee members bring their concerns to the State Capitol.



ENERGY SELF-SUFFICIENCY

Our Administration is proposing a bold and strategic energy plan, which encourages and supports market-based development of reliable, cost-effective, and self-reliant energy for Hawai'i to end our decades-long over-dependence on imported oil.

This comprehensive and timely energy plan provides "homegrown" energy solutions today, which will create a secure energy and economic future for the people of Hawai'i. It also seeks to establish Hawai'i as a leader in the global hydrogen economy by accelerating the development of the state's own indigenous, renewable energy resources.



Kaheawa Wind Power Ground Breaking Ceremony in Maui

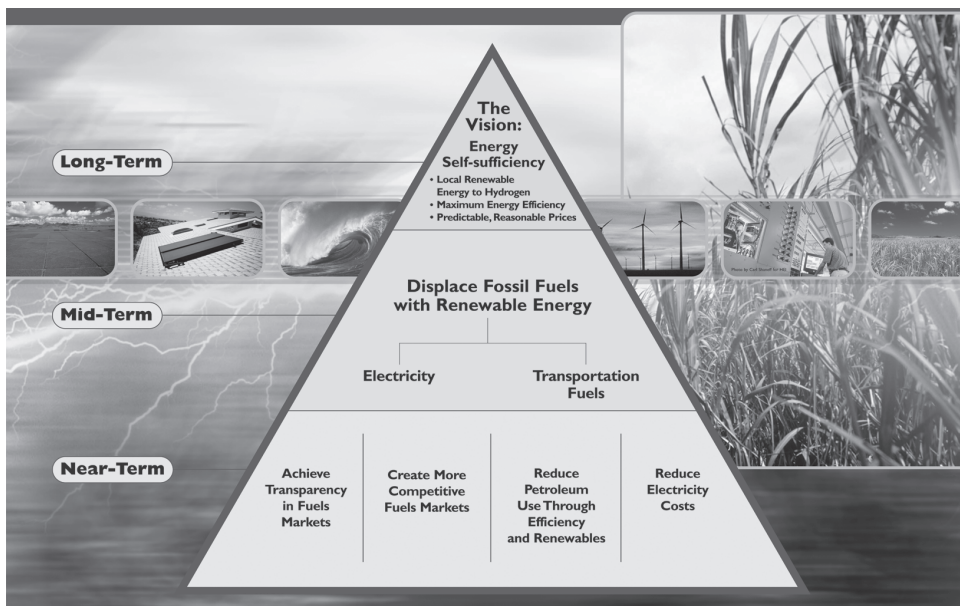
ENERGY SELF-SUFFICIENCY

Encourage energy conservation

- Provide a tax credit to consumers of up to \$1,500 per year for the retail purchase of Energy Star appliances.
- Encourage the Public Utilities Commission (PUC) to establish time-of-use rates to lower electricity bills, encourage conservation, and spread the load on the electrical system.
- Use energy efficient designs for new state government structures and retrofits of existing structures to reduce energy consumption by 14% and save about \$10 million a year.
- Increase the size of independent power systems to 500 kw that can return power to the common electrical grid (net energy metering).

Protect consumers against artificial gas prices and price gouging

- Repeal the gas cap that has increased the average price of gasoline to consumers and cost them an estimated \$50.1 million in the four months after it was imposed in September 2005.
- Require the reporting of information by petroleum companies. This monitoring program along with a petroleum database and parity pricing benchmark (cost of refining and transporting) will create more transparency and accountability in the petroleum industry.
- Prohibit price gouging of petroleum products during emergency situations.
- Repeal the divorce law, thereby allowing gas station owners to sell their stations to any prospective buyer, encouraging more stations to remain open, and supporting efficient operations of retail gasoline outlets.



ENERGY SELF-SUFFICIENCY continued

Support alternative energy production

- Survey applicable lands, public and private, that may lend themselves to alternative energy production including biomass, wind, solar, wave, hydro, and hydrogen.
- Promote the cultivation of energy crops, recognizing Hawai'i has an abundance of agricultural land and know-how.
- Position Hawai'i to be the United States and world leader in the hydrogen economy by providing \$10 million to establish the Hydrogen Energy Renewable Energy Leadership program. This program will encourage hydrogen fuel development and production in Hawai'i.
- Support the use of alternative energy and hybrid vehicles in State automobile fleets that comply with Federal fuel requirements.
- Establish a renewable fuels standard of 20% of highway fuels by 2020, including ethanol, biodiesel, and other fuels derived from renewable feedstocks.
- Establish a priority preference in the permitting process for renewable energy projects.
- Extend the excise tax exemption for alcohol-based fuels.
- Increase and extend tax credits for photovoltaic and solar systems.

PROTECTING THE PUBLIC

Protecting the lives of residents and visitors is the most important and critical duty of our Administration. The following proposals outline plans to better prepare our state in the event of a natural disaster or emergency, protect our *keiki* from harm, and effectively fight crime and drug abuse.



Disaster Preparedness News Conference

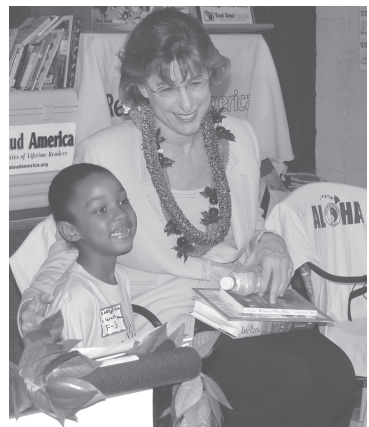
PROTECTING THE PUBLIC

Disaster Preparedness

- Provide more emergency shelters through retrofitting existing state buildings; provide tax incentives to encourage private building owners to retrofit their buildings and construct emergency facilities within their structures; and provide partial reimbursements to residents who install wind resistant devices to protect their property against hurricanes.
- Equip emergency shelters to accommodate medically fragile personnel, such as care home residents who have to be evacuated, and allow individuals to bring their pets to a shelter.
- Strengthen building codes so new buildings and developments are planned to minimize the impact of a disaster.
- Improve emergency communication networks by providing \$2.1 million to erect a 130-foot radio tower at Kaupulehu, Hawai'i that can withstand a Category 4 hurricane. This tower will provide a vital link between Hilo, Kona and the balance of the State in the Emergency Anuenue Radio System.
- Increase criminal penalties for looting or harming a civil defense worker during a natural disaster or emergency proclaimed by the Governor.
- Ensure Hawai'i has adequate funding to respond and recover in the event of an emergency by preserving the Hurricane Relief Fund and doubling the monies in the Major Disaster Fund.
- Expend up to \$1 million in 2007 from the interest on the Hurricane Relief Fund to purchase emergency supplies (blankets, flashlights, bottled water, meals, clothing, medicines, and first aid kits) that will be stockpiled at strategic locations.
- Include Hawai'i in the Emergency Management Assistance Compact, which allows the Governor to call upon the resources of other states (such as California, Washington, or Oregon) to provide temporary aid in the event of a disaster in Hawai'i.

Keep our Keiki safe

- Increase expenditures for early intervention services for children 0-3 years of age deemed to be at-risk for child abuse or neglect or who are developmentally delayed.
- Further protect children from abuse by requiring staff members of any public or private school, agency, or institution, to report any known or suspected child abuse directly to the State Department of Human Services or the police, in addition to notifying their immediate supervisor.



Keep our Keiki safe (continued)

- Require those who work with children, youth, seniors and other vulnerable populations to clear criminal background checks.
- Protect children from sex crimes by introducing a constitutional amendment to allow the conviction of a perpetrator who repeatedly assaults a child they live with, even if the child cannot remember specific dates and times.
- Add “electronic enticement” of a child to the list of class C felonies subject to repeat offender sentencing, thus mandating a one-year minimum incarceration for defendants convicted of promoting child abuse or electronic enticement of a child.
- Enforce child support payments by suspending the professional license of a parent who reneges on an agreement to make their payments.
- Establish and implement beneficial programs for children in the care of the Judiciary, or students provided support by the University of Hawai‘i, by mandating the district/family courts and the University of Hawai‘i to maximize the amount of federal funds Hawai‘i should receive to help support these children and young adults.
- Expand the About Face and Healthy Lifestyles community programs for at-risk youth with \$10.2 million in Federal (TANF) funds.
- Spend an additional \$35 million in available federal funds (TANF) on child welfare programs, food stamps outreach, community-based afterschool programs, and related services to help children, youth, and seniors throughout the state.



Governor Lingle pictured with Girl Scouts at the “Women of Distinction” dinner

PROTECTING THE PUBLIC continued

Fight Identity Theft

- Enable victims of identity theft to place a security freeze on their credit reports.
- Enhance consumer privacy by requiring businesses to notify a consumer when it appears that personal information may have been inappropriately accessed by unauthorized individuals.
- Protect confidential personal information by requiring businesses to properly dispose of personal information.
- Place additional safeguards on the use of a person's social security number.

Fight Crime

- Provide \$1.2 million to fund the DNA registry, which helps crime experts catch and convict those who are guilty and free those who are innocent.
- Provide funds for the immediate DNA testing of all felons who are currently incarcerated.
- Allow grand juries to charge a person using information provided by law enforcement personnel rather than requiring them to appear in person.
- Make it easier to prosecute crimes involving deception and fraud by adjusting the statute of limitations to begin when the crime is discovered.
- Expand the authority of the State Insurance Division to investigate fraud in all lines of insurance.
- Strengthen sentencing laws to provide for a mandatory sentence of 30 years to life for habitual violent felons; add 21 serious class C felonies to those offenses subject to repeat offender sentencing, and provide longer maximum terms for repeat offenders.



News conference on legislative proposals to strengthen identity theft protections and increase penalties

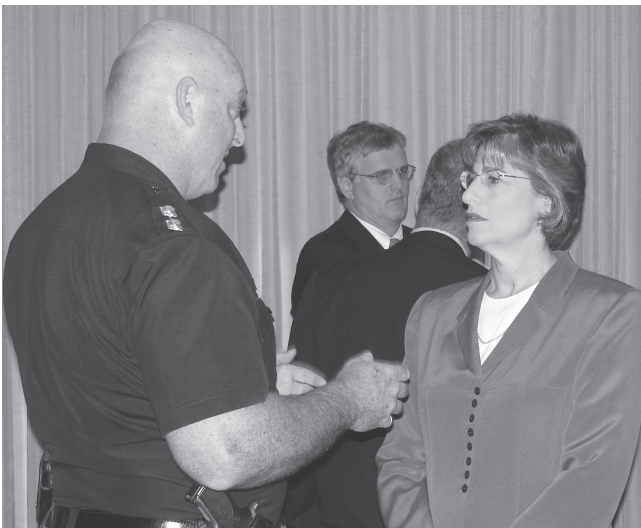
PROTECTING THE PUBLIC continued

Drug Abuse & Underage Drinking

- Restore the previously existing 10-year mandatory prison term for those convicted of manufacturing crystal methamphetamine.
- Subject repeat drug offenders to the harsher penalties and sentencing guidelines for other repeat offenders.
- Further restrict access to the purchase of pseudoephedrine, a chemical used to manufacture “ice,” by requiring these drugs to be placed behind the counter in retail outlets.
- Support substance abuse healthcare by including coverage of substance abuse related injuries under Hawai‘i’s prepaid healthcare act.
- Provide \$1 million to develop a substance abuse workforce and enhance the continuum of services for alcohol and drug abuse addiction.
- Increase penalties against adults who provide alcohol to minors.

Improve Correctional Facilities & Services

- Provide \$10.1 million to finance repairs and enhance security at Halawa and Waiawa correctional facilities and at the other community correctional centers statewide.
- Expend an additional \$1.4 million for infrastructure improvements and repairs at the Hawai‘i Youth Correctional Facility.
- Provide for 26 more positions for adult mental health compliance at the O‘ahu Community Correctional Center.
- Continue expansion of the safe house program that provides community-based placements as an alternative to incarceration at the Hawai‘i Youth Correctional Facility.



Honolulu police officer visits with the Governor

PROMOTING A HEALTHY HAWAII

Healthy lifestyles and access to quality healthcare can significantly enhance one's *quality of life*. For this reason, improving healthcare and medical services is among the top priorities of our Administration.



Patient at Hale Anuenue Restorative Care Center in Hilo

PROMOTING A HEALTHY HAWAI'I continued

Address Long-Term Living

- Provide refundable tax credits up to \$1,000 for families who purchase long-term care insurance for themselves and their loved ones.
- Provide tax credits to companies who provide long-term care insurance for their employees.
- Establish the Home and Community Based Care Homes as a permanent program and increase the number of low-income individuals who can be served in a community-based home.

Improve Services & Facilities

- Require background checks for healthcare workers in facilities licensed by the Department of Health and the Department of Human Services.
- Provide \$5.3 million for the Maui Memorial Medical Center expansion; \$1 million in repairs at Leahi State Hospital; and, \$5 million in state and federal funds for the new Hilo Veterans Home.
- Provide \$15 million to purchase and stockpile up to 250,000 doses of flu vaccine in the event of a pandemic in Hawai'i.



Enhance Services for the Mentally ill and Disabled

- Provide an additional \$3.5 million to cover an increase in adolescent mental health services.
- Immediately increase by \$5 million funds to provide services for developmentally disabled persons.
- Provide an additional \$7.7 million for adult mental health community-based services.
- Increase emergency funding levels by \$10.9 million for the State Hospital and Adult Mental Health Division to provide more acute care beds at Kahi Mohala and similar community centers to relieve the overcrowding at the Hawai'i State Hospital; increase security at the Hawai'i State Hospital; purchase beds at skilled nursing facilities for mental health patients with severe physical disabilities; and support outpatient services.
- Increase funding by \$1.5 million for mental health counseling services for O'ahu Community Correctional Center (OCCC) inmates.
- Provide \$416,736 to maintain the \$418 monthly general assistance (GA) benefit payment and help temporarily disabled persons afford food, rent and other basic necessities. This program currently helps over 3,800 individuals.



Visit to Kalihi-Palama Health Center

ENVIRONMENTAL STEWARDSHIP

The people of Hawai'i continue to feel a sense of pride from Hawai'i's beautiful and natural environment. We enjoy visiting our state parks for picnics and nature walks and showing off to our visitors the untouched splendor and serenity of our surroundings. Our Administration is proposing the following initiatives to protect our parks and preserve our natural resources.



Governor Lingle, Peter Young, Director, Department of Land & Natural Resources, and Gregory Dunn, executive director, Nature Conservancy are shown here planting trees in celebration of National Environmental Education Week

ENVIRONMENTAL STEWARDSHIP

Environmental Programs

- Allocate \$1 million to develop Environmental Education Centers on each island. This complements the Administration's proposal to establish up to seven environmentally-based charter schools on the six main islands.
- Enhance forest stewardship programs through using revenues derived from forest reserve activities.

Preservation

- Make permanent the Hawai'i Ocean and Coastal Council, which will provide the ongoing institutional framework and leadership to address and coordinate the state's ocean and coastal issues.
- Promote the continuation of habitat conservation agreements to encourage private landowners to use their properties for the protection of endangered species.
- Increase penalties and facilitate the prosecution of individuals who illegally take timber from State forests or trespass in State Forest Reserves.
- Protect coral reefs and ocean habitats by allowing the state to immediately remove a grounded vessel at the expense of the owner.
- Accelerate the clean-up and reuse of contaminated private property by strengthening the legal requirements and tracking of clean-up compliance.
- Invest \$2 million in much needed repairs to the Moloka'i Irrigation System.
- Preserve our water by increasing the Drinking Water Treatment Revolving Loan Program by \$28.7 million to allow counties to improve drinking water systems, and increase the Water Pollution Control Loan Program by \$38 million.
- Invest \$10 million to complete the upgrades to the Waimanalo Wastewater Treatment Plant so that it can operate at its full capacity and avoid future near-shore water pollution.



Governor Lingle and Peter Young, Director, Department of Land and Natural Resources, announce the creation of the Hawai'i Ocean and Coastal Council.

ENVIRONMENTAL STEWARDSHIP continued

Maintenance and Security

- Invest an additional \$10 million for improvements to state park facilities.
- Provide \$500,000 to power wash and sanitize state park restrooms on a semi-monthly schedule.
- Invest \$10 million in small boat harbor improvements statewide, plus an additional \$2.6 million for Ma'alaia Harbor to provide sewage pump-out facilities.
- Increase nighttime security by hiring uniformed officers to patrol parks and boating facilities statewide.



Governor Lingle with Jean-Michele Cousteau on Midway Atoll

STRENGTHENING THE ECONOMY

Hawai'i's vibrant economy is the strongest it has been in over a decade. The size of our workforce has grown, unemployment has remained below 3% (lowest in the nation for most of 2005), and total personal income grew 8%, the biggest increase since 1990.

Our goal is to sustain this momentum and to ensure that all of Hawai'i's residents can participate in these gains. To do so, we are proposing initiatives that create workforce development opportunities for well-paid jobs in such industries as healthcare, construction, education, medical research, and technology. These complement the opening of the John A. Burns School of Medicine, proposed expansion of the Natural Energy Laboratory of Hawai'i (NELHA) and hydrogen research plans.

We also want to help employers and employees control business costs through improvements in workers' compensation and unemployment insurance taxes. And we will continue our commitment to further our largest industry—tourism.



Members of the Economic Momentum Commission

STRENGTHENING THE ECONOMY

Workforce Development

- Provide additional funds for workforce development programs at the University of Hawai'i and its community colleges, including:
 - \$5.5 million to the Construction Trades Academy, which prepares high school students to enter building trade apprenticeship programs
 - \$4.5 million to the School of Nursing to increase the number of nursing students each year by approximately 300
 - \$1.2 million for teacher training
 - \$1.4 million to train pharmacists at the Hilo College of Pharmacy
- Provide \$100,000 in financial assistance to civil engineering students at the University of Hawai'i who commit to work in state government upon completing their degree.
- Provide \$10 million in federal funds (Reed Act) to state and county programs that prepare individuals entering rapidly growing fields such as healthcare, early education, teaching and the building trades.
- Provide funds to establish a Vocational Training Exploration Component in the Hawai'i National Guard Youth Challenge Academy.
- Make it easier for individuals with vocational licenses to reactivate or renew their professional license.
- Diversify job opportunities by upgrading and expanding the Natural Energy Laboratory of Hawai'i (NELHA) in Kona as a center of excellence in identifying and developing new industries.



Meeting graduates of the Pre-Apprenticeship Construction Training Program (PACT)

STRENGTHENING THE ECONOMY continued

Helping Employers & Employees

- Promote workers' compensation reform by repealing the restrictions placed on the director of labor and restoring the director's rule-making authority to reform standards and procedures.
- Improve workers' compensation laws by expanding the authority of fraud investigations and increasing penalties for fraud.
- Provide relief to businesses by reducing the amount they are required to pay into the Unemployment Trust Fund, so that more monies are available to increase worker benefits, salaries, or add positions. This will retain an estimated \$165 million in the economy over the next three years.
- Increase the tip wage credit to help businesses deal with increases in the minimum wage, and help equalize wages to tip and non-tip staff.

Supporting Tourism

- Give voting rights on the Hawai'i Tourism Board back to the director of the Department of Business, Economic Development and Tourism (DBEDT) or his designee to bolster their ability to effectively promote tourism.
- Invest \$2 million in additional funds to repair and maintain the Hawai'i Convention Center as a world-class events destination.



Grand opening and dedication of the Foreign Trade Zone No. 9 offices and warehouse space at Pier 2, Honolulu Harbor

KEEPING HAWAI'I ON THE MOVE

Transportation affects all of us, and is a critical aspect of our daily lives. Our Administration is committed to investing significant state and federal resources into the maintenance and improvement of our transportation infrastructure, which includes highways, airports and harbors. Additionally, we want to take measures to increase traffic safety.



Announcement of Zipperlane Extension project, connecting the Zipperlane with Nimitz contraflow lane and creating one continuous route into town for carpoolers

KEEPING HAWAII ON THE MOVE

Highways

- Increase highway funds by \$137.7 million, including:
 - \$86 million in additional federal and state funds for the North-South Road and the Kapolei Parkway on O‘ahu
 - \$19 million more to add one additional lane in order to create a four-lane highway for Kuhio Highway in Kapa‘a on Kaua‘i
 - \$2.5 million to connect the existing Kapolei Parkway to the North-South Road and increase access to Hawaiian Homes sites in Kapolei
 - \$1.2 million for the realignment of Honoapi‘ilani Highway on Maui
 - \$1.0 million for the afternoon contra-flow zipperlane on the H-1 Freeway
- Enable \$10 million in state highway funds appropriated last year to be transferred to the counties for their transportation needs.

Airports

- Commit \$306.8 million in State and federal funds to bring the State’s airports up to 21st century aviation standards, including:
 - \$75.7 million to Honolulu International Airport for inline baggage system and terminal improvements
 - \$32.8 million to Kahului Airport on Maui for inline baggage screening systems and terminal improvements
 - \$5 million to Lihue Airport for baggage claim improvements



Governor Lingle, Kaua‘i Mayor Bryan Baptiste, and State Department of Transportation Deputy Director for Highways Brennon Morioka discussing road improvements on Kaua‘i

Department of Transportation Director Rod Haraga inspecting an improvement on Farrington Highway



KEEPING HAWAII ON THE MOVE *continued*

Harbors

- Increase investment by \$20.9 million in the State's commercial harbors, including most significantly:
 - \$10.2 million to Kahului Harbor on Maui for barge terminal improvements
 - \$2.0 million for a Kapalama container terminal on O'ahu
 - \$2.1 million to Nawiliwili Harbor on Kaua'i for barge terminal improvements

Traffic Safety

- Protect pedestrians by increasing penalties, including revoking driving privileges, against those who fail to yield to pedestrians in the crosswalk, and clarify that pedestrians have the right-of-way.
- Curb dangerous driving behavior by requiring judges to suspend the driver's license of those under the age of 21 convicted of illegal possession of liquor; and postpone the defendant's eligibility to obtain a license if that person does not yet have a driver's license.



In his capacity as Acting Governor, Lt. Governor Aiona signed three bills in 2005 to enhance safety for motorists and pedestrians.

OPEN, RESPONSIVE GOVERNMENT

Our Administration remains committed to providing an open government in which people of integrity treat every citizen fairly.



Governor Lingle at her desk

OPEN, RESPONSIVE GOVERNMENT

Encourage Transparency and Openness

- Require departments to post on the Internet all procurement and contract award information so the process is more transparent and the public and the media can watch and follow what the government is doing.
- Increase the pool of qualified applicants for State and County government positions by changing the strict residency statute that requires applicants to be a resident of Hawai'i *at the time of applying*, to requiring applicants to be a resident *at the time they begin* their employment. This will allow more former Hawai'i residents to return home.
- Authorize the Office of Information Practices to enforce in court compliance with the open records and open meetings (sunshine) laws.



PLEASE CONTACT US AT THE FOLLOWING ADDRESSES, NUMBERS, OR E-MAILS:

OFFICE OF THE GOVERNOR

LINDA LINGLE, Governor
Executive Chambers
State Capitol Honolulu, Hawai'i 96813
Phone: 586-0034 Fax: 586-0006
e-mail: governor.lingle@hawaii.gov
www.hawaii.gov/gov

OFFICE OF THE LT. GOVERNOR

JAMES R. "DUKE" AIONA JR., Lt. Governor
Executive Chambers
State Capitol Honolulu, Hawai'i 96813
Phone: 586-0255 Fax: 586-0231
e-mail: ltgov@hawaii.gov
www.hawaii.gov/ltgov

ACCOUNTING & GENERAL SERVICES

RUSS K. SAITO, Comptroller & Director
1151 Punchbowl Street, Honolulu, Hawai'i 96813
Phone: 586-0400 Fax: 586-0775
e-mail: dags@hawaii.gov
www.hawaii.gov/dags

AGRICULTURE

SANDRA LEE KUNIMOTO
Chairperson, Board of Agriculture
1428 South King Street, Honolulu, Hawai'i 96814
Phone: 973-9560 Fax: 973-9613
e-mail: hdoa.info@hawaii.gov
www.hawaiiag.org/hdoa

ATTORNEY GENERAL

MARK BENNETT, Attorney General
Hale Auhau, 425 Queen Street, Honolulu, Hawai'i 96813
Phone: 586-1500 Fax: 586-1239
e-mail: hawaiiag@hawaii.gov
www.hawaii.gov/ag

BUDGET & FINANCE

GEORGINA KAWAMURA, Director of Finance
No. 1 Capitol District Building
250 South Hotel Street, Rm. 310, Honolulu, Hawai'i 96813
Phone: 586-1518 Fax: 586-1976
e-mail: HI.BudgetandFinance@hawaii.gov
www.hawaii.gov/budget

BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

THEODORE E. LIU, Director
250 South Hotel Street, Honolulu, Hawai'i 96813
Phone: 586-2355 Fax: 586-2377
e-mail: director@dbedt.hi.gov
www.hawaii.gov/dbedt

COMMERCE & CONSUMER AFFAIRS

MARK RECKTENWALD, Director
335 Merchant Street, Rm. 310, Honolulu, Hawai'i 96813
Phone: 586-2850 Fax: 586-2856
e-mail: dcca@dcca.hawaii.gov
www.hawaii.gov/dcca

DEFENSE

MAJOR GENERAL ROBERT G.F. LEE, Adjutant General
3949 Diamond Head Road, Honolulu, Hawai'i 96816-4495
Phone: 733-4246 Fax: 733-4238
e-mail: webmaster@dod.state.hi.us
www.dod.state.hi.us

HAWAIIAN HOME LANDS

MICAH KANE, Chairman
1099 Alakea Street, 12th & 20th flrs., Honolulu, Hawai'i 96813
Phone: 586-3800 Fax: 586-3899
e-mail: kay.ahina@hawaii.gov
www.hawaii.gov/dhhl

HEALTH

DR. CHIYOME LEINA'ALA FUKINO,
Director of Health
1250 Punchbowl Street, Honolulu, Hawai'i 96813
Phone: 586-4410 Fax: 586-4444
e-mail: webmail@mail.health.state.hi.us
www.hawaii.gov/health

MOLOKA'I/LANA'I OFFICES

To be announced

HUMAN RESOURCES DEVELOPMENT

MARIE LADERTA, Director
235 South Beretania Street,
Honolulu, Hawai'i 96813
Phone: 587-1100 Fax: 587-1106
e-mail: hr@hawaii.gov
www.hawaii.gov/hrd

HUMAN SERVICES

LILLIAN KOLLER, Director
1390 Miller Street, Rm. 209, Honolulu, HI 96813
Phone: 586-4997 Fax: 586-4890
e-mail: dhs@dhs.hawaii.gov
www.hawaii.gov/dhs

LABOR & INDUSTRIAL RELATIONS

NELSON BEFTEL, Director
830 Punchbowl Street, Honolulu, Hawai'i 96813
Phone: 586-8844 Fax: 586-9099
e-mail: dlr@hawaii.gov
www.hawaii.gov/labor

LAND & NATURAL RESOURCES

PETER YOUNG, Chairman
1151 Punchbowl Street, Honolulu, Hawai'i 96813
Phone: 587-0400 Fax: 587-0390
e-mail: dlnr@hawaii.gov
www.hawaii.gov/dlnr

PUBLIC SAFETY

FRANK LOPEZ, Interim Director
919 Ala Moana Boulevard, Rm. 400, Honolulu, Hawai'i 96814
Phone: 587-1350 Fax: 587-1421
e-mail: frank.j.lopez@hawaii.gov
www.hawaii.gov/psd

TAXATION

KURT KAWAFUCHI, Director
830 Punchbowl Street, Honolulu, Hawai'i 96813
Phone: 587-1540 Fax: 587-1560
e-mail: director_office@tax.hawaii.gov
www.hawaii.gov/tax

TOURISM

MARSHA WIENERT, Tourism Liaison
250 South Hotel Street, Rm. 505, Honolulu, Hawai'i 96813
Phone: 586-2362 Fax: 586-2377
e-mail: marsha.wienert@hawaii.gov
www.hawaii.gov/dbedt

TRANSPORTATION

RODNEY K. HARAGA, Director
869 Punchbowl Street, Rm. 509, Honolulu, Hawai'i 96813
Phone: 587-2150 Fax: 587-2167
e-mail: dotpao@hawaii.gov
www.hawaii.gov/dot

OFFICE OF COLLECTIVE BARGAINING

HAROLD DECOSTA, State Chief Negotiator
235 S. Beretania Street, Rm. 1201 Honolulu, Hawai'i 96813
Phone: 587-6893 Fax: 587-6894
e-mail: harold.decosta@hawaii.gov

EAST HAWAII – HILO

ANDY SMITH, Governor's Liaison
75 Aupuni Street, Hilo, Hawai'i 96720
Phone: (808) 974-6262 Fax: (808) 974-6263
e-mail: hilogov@hawaii.gov

WEST HAWAII – KONA

SHARRON L. ACKLES, Governor's Liaison
75-5722 Kuakini Hwy, Kuakini Tower, Ste. 215
Kailua-Kona, Hawai'i 96740
Phone: (808) 327-4953 Fax: (808) 327-4952
e-mail: konagov@hawaii.gov

MAUI

GEORGE N. KAYA, Governor's Liaison
2264 Aupuni Street, #1, Wailuku, Hawai'i 96793
Phone: (808) 243-5796 Fax: (808) 243-5049
e-mail: mauigov@hawaii.gov

KAUAI

LAURIE L.K. YOSHIDA, Governor's Liaison
3060 Eiwa Street, #106, Lihue, Hawai'i 96766
Phone: (808) 274-3100 Fax: (808) 274-3103
e-mail: kuaigov@hawaii.gov

TAX RELIEF

HOUSING OUR RESIDENTS

SUPPORTING EDUCATION

ENERGY SELF-SUFFICIENCY

PROTECTING THE PUBLIC

PROMOTING A HEALTHY HAWAII

ENVIRONMENTAL STEWARDSHIP

STRENGTHENING THE ECONOMY

KEEPING HAWAII ON THE MOVE

OPEN, RESPONSIVE GOVERNMENT



Website

www.hawaii.gov/gov
www.hawaii.gov/ltgov

Email

governor.lingle@hawaii.gov
ltgov@hawaii.gov